



- VOL. 3
- ISSUE 14
- FALL 2010

# OFFICE OF SMALL BUSINESS PROGRAMS

## SMALL BUSINESS SUCCESS STORY SECRET TO TRANSITION SUCCESS . . . TEAMWORK!

BY AL WATKINS, NASA STENNIS SPACE CENTER

### Contract Transition and Schedule

Contract transition—just the mention of the term breeds fear into the hearts of many: the new contractor, the workforce, and NASA. A2Research (A2R) was recently awarded the NASA Laboratory Services Contract at Stennis Space Center (SSC), MS. Not only was the contract awarded to a new contractor, but the vehicle type was changed from a cost-plus-incentive-fee (CPIF) to a firm-fixed-price with a demand-cost-plus section within it. Everyone was apprehensive about the new contractor and the new contract vehicle. Employees were concerned about whether they were going to have a job, whether they were they going to take a salary cut, and at what level the benefits would be. NASA was concerned that if the services continued without interruption and at an acceptable level, the metrics might not be met and NASA's contracting department might have to deal with irate NASA customers. The new contractor had all of these previous concerns to deal with, including managing the contract and making the contract a success.

Transition is very stressful for everyone; the secret to a successful transition is openness,



The A2Research Team

communication, teamwork, and trust. Upon award, A2R pulled together and started immediate transition team meetings with the NASA contracting officers, NASA technical representatives, and others. Delivering a transition plan with a time schedule and milestones was a priority, a roadmap that both A2R and NASA could monitor. Working closely with NASA personnel, onsite offices and services

were set up to assist in the transition of the contract. Team meetings with updates were routinely held while developing the trusting relationship and partnership that lead to the success of the contract transition. Both NASA and A2R realized early on that both entities shared a common goal and desire with clear objectives to get this contract transitioned smoothly.

(continued on page 2)

### IN THIS ISSUE:

- PAGE TWO: SBS Spotlight
- PAGE TWO: OSBP Contact Information
- PAGE TWO: AA's Corner
- PAGE THREE: Procurement Strategy
- PAGE FOUR: Mission Directorate Update
- PAGE FOUR: Regulatory and Legal Update
- PAGE FIVE: NASA Shared Services Center Update
- PAGE FIVE: Marshall Space Flight Center Update

- PAGE SIX: Message from the NASA Chief Technologist's Office
- PAGE SIX: OSBP Program Manager Highlight
- PAGE SEVEN: Mentor-Protégé Program Update
- PAGE EIGHT: Important Dates to Remember
- PAGE EIGHT: OSBP Newsletter Article Submission Schedule
- PAGE EIGHT: OSBP Staff
- PAGE EIGHT: Small Business Symposium and Awards Ceremony
- PAGE EIGHT: OSBP Web Site
- PAGE EIGHT: Metrics Update



## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

### HQ Office of Small Business Programs

300 E Street SW, Suite 8T39

Washington, DC 20546-0001

Phone: 202-358-2088; Fax: 202-358-3261

E-mail: [smallbusiness@nasa.gov](mailto:smallbusiness@nasa.gov)

Web site: <http://www.osbp.nasa.gov>

# OFFICE OF SMALL BUSINESS PROGRAMS

## SBS SPOTLIGHT



### GILBERTO DELVALLE

SENIOR PROCUREMENT ANALYST

#### SMALL BUSINESS OFFICE (SBO)

Gilberto DelValle is a senior procurement analyst in the SBO at Goddard Space Flight Center (GSFC) in Greenbelt, MD. Gilberto graduated from the Inter-American University of Puerto Rico with

a master's degree in business administration. He started his civil servant career working for the U.S. Environmental Protection Agency as a financial analyst. He came to GSFC in 1985 as a contract specialist supporting the Procurement Support Division, where he was responsible for administering, extending, terminating, and negotiating contracts. He later accepted a position as a financial analyst for the Space Sciences Directorate and Flight Project Directorate in support of the Hubble Space Telescope and International Space Station, where he served for over 12 years. Gilberto was sought out and offered the opportunity to work in the SBO in December 1997. Gilberto accepted the position

in the GSFC SBO because he felt professionally that he could work very hard to remove barriers that might otherwise make it difficult for small businesses to sell goods and services to Federal agencies. He considers himself a people person, and this is evident in his working relationships with contract specialists, technical customers, and Federal and corporate communities.

As the team lead, Gilberto develops junior procurement analysts in the areas of small business programs and goaling. He also provides training for procurement request package reviews, set-aside determinations, and small business plan reviews. Gilberto supports numerous outreach activities and conducts countless counseling sessions with small business vendors in an effort to further the SBO initiatives. He also serves as the Mentor-Protégé Program point of contact.

In addition to his major duties, he still takes the time to serve as a member of the Hispanic Action Committee for Employees (HACE).

Gilberto has worked at GSFC for more than 25 years, 13 of those years in support of the Center's Small Business program. He fully enjoys being part of the SBO, where his contributions to small businesses and procurement organizations help to facilitate the achievement of building a viable, competitive small business community for GSFC.

#### Small Business Success Story (continued from page 1)

A2R started team meetings with the incumbent contractor local management to compare and adjust the transition plan and associated milestones. Once the transition plans were coordinated, follow-on meetings kept NASA abreast of progress. Three separate teams were involved at this point, all pulling toward a common goal. All milestones in the schedule were met. The skill and professionalism of the managers in handling the emotional aspects of the transition were apparent. This handshake and handoff of the contract to A2R went better than any transition in recent history for the laboratory and for the NASA contracting officer (CO) and contracting officer's technical representative (COTR); it is a testament to the entire team.

#### Laboratory Personnel

People are the key, and biggest wildcard in any transition. Maintaining a happy, challenged work force can be a daunting task at best during a contract transition. By now, the contract competition has been in the works for well over a year; the incumbent personnel have gone through a great deal of frustration and concern over their own future. For many, their personal lives have been put on hold while waiting for the outcome and the announcement of the new contract. The "rumor mill" is full of stories of previous contract changes, lost benefits, and/or insidious potential salary reductions due to the increased cost of retained benefits.



## AA's CORNER

It is hard for me to believe as I write this that on September 6, 2010, I will have been at NASA for 4 years. Most of the time, it feels like I have been here just a few months, and other times, it feels like 10 years. However, when I look back over the last 4 years, I see all the good things that the Agency has done to enhance the Small Business Program. I see all the good things that the Center Small Business Specialists (SBSs) have accomplished and how they now work together as a cohesive team, which makes me very proud to be part of the team. The collaborative effort of the Office of General Counsel, the Office of Procurement, and the Office of Small Business Programs (OSBP) has resulted in numerous procurement notices and procurement information circulars that have had a significant impact and improved the program over the last few years. I am very proud of the success of the small business training that was conducted at every Center, the feedback we received on how valuable this training was in increasing Center knowledge of small business programs, and how Centers utilize this knowledge to make them more effective.

As fiscal year (FY) 2010 comes to a close, all the Federal agencies will be receiving their FY 2009 scorecards from the Small Business Administration (SBA). NASA will receive an overall score of 87.2 percent, which translates to a letter grade of "C." Although a grade of a "C" is better than a "D" or "F," it shows that we have a lot of work still to accomplish to make our program one of the best in the Federal Government.

We will continue to develop and implement creative ways to improve the program. The Agency FY 2011 Small Business

(continued on page 3)



## AA's Corner (continued from page 2)

Improvement Plan was developed and implemented recently, and the newly created Office of the Chief Technologist had representatives from every Center at the development meeting; they will now be working closely with the SBS at each Center. They will work with the SBS when they develop the requirement to ensure that small businesses have an opportunity to propose as either a prime or a subcontractor. They will also work with the SBS when they counsel the numerous types of small businesses to assist them in identifying new technology that may help NASA achieve our future missions.

The recent Presidential Task Force on Small Business Contracting Opportunities made recommendations to the President on how to improve both prime and subcontracting opportunities to small businesses. Many of these recommendations require the development of new regulations and changes to the Federal Acquisition Regulations (FARs) in order to be implemented. When these recommendations get implemented, the SBS will have several new tools available to assist small businesses in getting contracting opportunities with NASA and other Federal agencies. The three major priorities of the task force were the following: develop clearer and more comprehensive small business contracting policies, provide for a better trained workforce and hold agencies accountable for meeting small business goals, and leverage technology to increase Federal procurement accessibility for small businesses and improve data technology. A total of 12 recommendations were sent to the White House, each with very specific timelines and implementation strategies. The entire small business community is waiting to see which of these recommendations will be implemented and the timeline for implementing them.

I would also like to thank Ms. Diane Thompson for her service to the OSBP while she was assigned to our office, and I wish her success in her future endeavors.

I hope you enjoy the new format of our newsletter and that you find it informative. Please let us know by sending us an e-mail to [smallbusiness@nasa.gov](mailto:smallbusiness@nasa.gov). Also please feel free to send us a note to tell us what we are doing well and where we can improve.

**GLENN A. DELGADO**

ASSOCIATE ADMINISTRATOR

NASA OFFICE OF SMALL BUSINESS PROGRAMS

## PROCUREMENT STRATEGY

BY BILL MCNALLY, ASSISTANT ADMINISTRATOR FOR THE NASA OFFICE OF PROCUREMENT

I believe that a strategic approach is one of the keys to successful Government procurement. The purpose of the procurement organization at NASA is to meet the needs of the Agency and the socioeconomic requirements of the United States. A well-designed and well-executed procurement strategy puts us in a position to meet the Agency's needs. Every time we procure a good or service, we need a procurement strategy. The more complicated the requirement, the more complex the strategy.

From the first time a need is identified, contracting personnel need to remember several things when creating a procurement strategy. First, they must ask the question, "What is my requirement?"

Everything revolves around the requirement.

Second, contracting personnel need to keep the NASA Procurement Tenets in mind and refer to them to make sure all the prerequisites are covered.

Third, they must know the key framework for a procurement strategy, from market research to contract management. The completeness of the procurement strategy process will be reflected in the success of the resulting contract. The most important parts are shown in the diagram above.

Remember: **All of these are interrelated and are related directly to the requirement.**

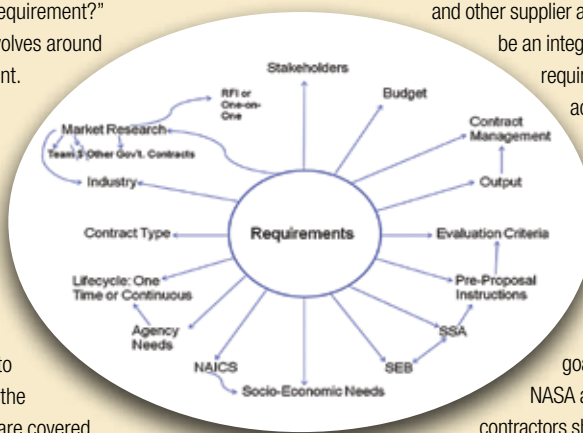
As mentioned above, one of the purposes of procurement is to meet the socioeconomic goals of the United States. NASA's Small Business program plays a major role in accomplishing these goals. NASA's Procurement Tenets ([http://prod.nais.nasa.gov/pub/pub\\_library/proc\\_tenets.pdf](http://prod.nais.nasa.gov/pub/pub_library/proc_tenets.pdf)) discuss the importance of small businesses with a focus on subcontracting, while writing the contract in the best way to meet the needs of NASA and the needs of small businesses:

Since many NASA projects involve large prime contractors, NASA shall aggressively pursue realistic, efficient, and effective socioeconomic goals at all subcontract levels. All subcontracts

and other supplier agreements shall be an integral part of the requirements being acquired under prime contracts and shall not be issued solely for the purpose of meeting the small business goal of a contract.

NASA and its prime contractors shall be aware of and fully utilize the technology developed under the Small Business Innovative Research and Small Business Technology Transfer Programs Phase I and Phase II contracts.

Government procurement can be extremely complex. A solid, well-constructed procurement strategy can bring together the needs of the mission and the socioeconomic needs of the country.





# MISSION DIRECTORATE UPDATE

BY GREG WILLIAMS AND CUONG HUYNH,  
NASA SCIENCE MISSION DIRECTORATE

NASA's Science Mission Directorate (SMD) is currently operating 57 robotic science missions and developing 27 more for launch. These space missions address this country's highest priority and most interesting science questions from space. Missions are prioritized for NASA development either through the National Academy of Sciences decadal surveys or through the evaluation and selection of competitively peer-reviewed proposals.

NASA's science goal is to "Expand scientific understanding of the Earth and the universe in which we live." NASA's SMD is responsible for implementing this objective of scientific discovery by reaching the following four general scientific results:

- Earth science—advance Earth system science to meet the challenges of climate and environmental change.
- Heliophysics—understand the Sun and its interactions with Earth and the solar system.

- Planetary science—ascertain the content, origin, and evolution of the solar system and the potential for life elsewhere.
- Astrophysics—discover how the universe works, explore how the universe began and evolved, and search for Earth-like planets.

SMD is committed to key principles and strategies that drive our plans and programs, including the following:

1. Base investment choices on scientific merit via peer review and open competition.
2. Encourage active participation by the research community beyond NASA because it is critical to success.
3. Design programs that accomplish breakthrough science and applications within the available budget.
4. Share the science and the adventure of NASA missions to engage the public in scientific exploration and to improve science, technology, engineering, and math (STEM) Nationwide.

SMD relies on small businesses as vital sources of innovative scientific instruments and space mission components. For example, the Directorate's Planetary Science Division has a business relationship with Malin Space Science Systems (MSSS), a small

company established in 1990. MSSS designs, builds, and operates space camera systems for Government and commercial aerospace customers. MSSS is a privately owned company that has about 30 full-time employees and provides products and services in the following three areas: (1) cameras for spacecraft, (2) spacecraft instrument operations, and (3) space science research.

MSSS has created visible and ultraviolet cameras for Mars Global Surveyor (1996), Mars Climate Orbiter (1998), Mars Polar Lander (1999), Mars Odyssey (2001), Cosmos (2005), Mars Reconnaissance Orbiter (2005), Mars Scout Phoenix (2007), Lunar Reconnaissance Orbiter (2009), and the Mars Science Laboratory rover (2011).

In July, MSSS delivered a camera for the Juno mission to Jupiter (2011) and, more recently, won a competition to fly a camera on the joint NASA-European Mars 2016 orbiter.

In addition, MSSS instrument operations services have focused on the Mars Observer Camera (1992–1993), the Mars Global Surveyor Mars Orbiter Camera (1997–2006), and the Mars Reconnaissance Orbiter Mars Color Imager and Context Camera (2006–present); and MSSS is currently preparing to operate the Mars Science Laboratory, Juno, and 2016 Mars orbiter cameras.

# REGULATORY AND LEGAL UPDATE

BY EVE LYON, NASA OFFICE OF GENERAL COUNSEL

This has been a busy area and is likely to become more active if certain legislation is passed. FAR Case No. 2009-016 may be the most controversial case on which the FAR team is working. The case implements the decision in *Rothe Development v. Department of the Air Force* issued by the Court of Appeals for the Federal Circuit on November 8, 2008, enjoining the authority contained in 10 USC 2323. (10 USC 2323 expired on September 30, 2009, without reauthorization.) FAR Case 2009-016 will delete Subpart 19.11 on price evaluation adjustment and will address self-certification of Small Disadvantaged Business (SDB) prime contractors. The FAR team is debating how the *Rothe* decision affects Subpart 19.12 on the SDB Participation Program. The options range from deleting the Subpart to making evaluation discretionary. The Class deviation in PIC 09-03 suspending use of Subpart 19.11 will be rescinded when this case becomes effective.

FAR Case No 2006-005 on Historically Underutilized Business Zone (HUBZone) Program Revisions is also in the regulatory "pipeline." The most significant aspect of this case will be the requirement for

HUBZone offerors to certify status, both when they submit offers and at time of award.

Parity is the topic of FAR Case 2006-034. This case was drafted to reflect the U.S. SBA regulations giving equal priority or "parity" to all set-aside authorities. In two decisions, the U.S. Government Accounting Office (GAO) found that agencies were required to give HUBZones priority over 8(a) and Service-Disabled Veteran-Owned Small Businesses (SDVOSBs). The statutes regarding 8(a) and SDVOSB programs use the word "may," while the statute for the HUBZone program uses the word "shall." GAO also stated the SBA did not have the authority to issue its "parity" regulation. The Office of Management and Budget (OMB) issued a memo dated July 10, 2009, directing agencies not to follow these GAO decisions pending legal review. In an opinion dated August 21, 2009, the Office of Legal Counsel, U.S. Department of Justice, concluded the SBA had sufficient authority for its "parity" regulation.

The sparring continued when the Court of Federal Claims (COFC) issued its decision in *Mission Critical Solutions* on March 2, 2010, finding there was

no basis for the SBA regulation. On August 13, 2010, the COFC in *DGR Associates, Inc.*, granted the plaintiff a permanent injunction because the Air Force, following the OMB memo, failed to give priority to the HUBZone program.

Congress may come to the rescue by changing the "shall" in the HUBZone statute to a "may"—a change that would satisfy the concerns of GAO and the COFC. Agencies are required to follow the OMB memo, but doing so leaves them exposed to adverse decisions. FAR Case 2006-034 is on hold.

The decision in *AP Logistics, LLC*, B-40160 (October 14, 2009) reiterates the premise that the subcontracting plan requirements are a matter of responsibility when not part of the evaluation criteria. This principle permits agencies to ask questions about the plan outside of discussions and provides the basis for the otherwise successful offeror to be ineligible for award.

In a preview of coming attractions, legislation has been proposed that would strengthen the bundling rules, apply the "rule of two" to GSA schedules, require determinations and findings for consolidations over \$2 million, and repeal the Small Business Competitiveness Demonstration Program. The looming question is the degree to which this legislation becomes law.

## NASA SHARED SERVICES CENTER UPDATE

BY JOHN CECCONI, NASA SHARED SERVICES CENTER

So what is happening at the NASA Shared Services Center (NSSC) Small Business program? The biggest news is the reconvening of the Stennis Small Business Forum. The name may soon change, as well as the mission statement, but it is to provide a mechanism for Federal agencies, local institutions, and businesses to exchange information on small business goals, needed and emerging technologies, upcoming procurement requirements and opportunities, and issues dealing with existing procurement regulations. This goal will be accomplished through quarterly meetings where specific information is exchanged based on funding cycles and forecasts of small business needs, as well as inquiries from small businesses.

Preliminary meetings between Stennis Space Center (SSC), NSSC, and the Mississippi Enterprise for Technology (MsET) pushed the need for this forum. Long a dream of Stennis Procurement Officer Sue Dupuis and supported by NSSC Procurement Officer Mike Sweigart, it is taking shape as a result of the enthusiasm of all the parties involved.

The first strategy meeting was chaired by MsET. It occurred on the 18th of August. The only invitees of this meeting were all of the Federal agencies at SSC; however, in subsequent meetings, prime contractors, their small business teammates, and

other local business representatives will be asked to join as well. During the first quarterly meeting, we discussed the objectives of the group as a medium for the exchange of ideas, issues, concerns, and lessons learned in the procurement community specifically as they relate to local small businesses. The forum will also provide a mechanism for feedback on Agency needs from business and on the issues businesses have concerning the small business and small disadvantaged business programs offered by SSC agencies.

A special thank you to Chuck William, an SBS at Johnson, and Larry Third, an SBS at Kennedy, for patiently advising both Michelle Stracener, an SBS at SSC, and me as we gathered lessons learned from their programs.

Secondly, a partnership was formed between SSC, NSSC, MsET, and the Gulf Coast Government Contractors Association (GCGCA) to host an Industry Day. GCGCA spotlights Government and industry partners in their quest to focus on new methods of collaboration to enhance the Government and industry partnership. They have approached NASA with a request to spotlight the Agency on the 18th of November. It will be held at the Hollywood Casino in Bay St. Louis, MS. Speakers are being sought, as well as organizations to have a vendor booth. An invitation will be made to all the NASA Centers to come and assist either as a speaker and/or in matchmaking sessions. Please mark your calendar in support of this upcoming event on Thursday, November 18, 2010.

Lastly, NSSC has put in a great deal of effort to update and maintain its home page on a continuing basis. This includes the small business section, which will be part of the customer service portal. This portal will allow the public access to questions and answers as well as best practices. Visit NSSC online at <http://www.nssc.nasa.gov/>.

## MARSHALL SPACE FLIGHT CENTER UPDATE

### PRATT & WHITNEY ROCKETDYNE SIGNS HISTORIC NASA MENTOR-PROTÉGÉ AGREEMENT

BY PATTI RICE, PRATT & WHITNEY ROCKETDYNE

Pratt & Whitney Rocketdyne (PWR) signed a NASA Mentor-Protégé Agreement on July 7, 2010, with Avans Machine and Tool, a flight-approved supplier and certified Historically Under-Utilized Business (HUB) Zone small business located in Scottsboro, AL. It is the first such agreement between a NASA prime contractor and a certified HUBZone small business. PWR is a United Technologies Corp. (NYSE:UTX) company.

"PWR is proud to share its business and technical expertise to help a HUBZone small business maximize its capabilities in the marketplace and foster economic growth in the community," said Paul Fowler, Director, Supply Management. "We are confident our mentor-protégé agreement will have far-reaching benefits."

Joe Sylvestro, Vice President, Operations and Supply Management, said, "Both companies stand to gain from this partnership, including new approaches to speed, flexibility, and cost efficiency, which in turn will help NASA achieve its objectives."

The NASA Mentor-Protégé Program encourages prime contractors to help eligible small businesses enhance their technical and business capabilities to better compete for NASA contracts and subcontracts. It also helps the businesses foster long-term business relationships with NASA prime contractors and increases the number of businesses that receive NASA contract and subcontract awards. The HUBZone Program, a program under the U.S. SBA,



In the front row, from left to right, are Kim Adams, Marshall Contracting Office; Paul Fowler, PWR Director of Supply Management; and Jeff Avans, Avans Machine and Tool President/Owner. In the back row, from left to right, are Dean Nunez, PWR J-2X Program Deputy; Pattie Rice, PWR Manager of Small Business and Supplier Development; Yvette L. Velasquez, PWR J2X Contracts; Fred Ritz, PWR J2X Program Specialist; Brant Julian, PWR J2X Integration Manager; Brad Martin, Avans Machine and Tool Project Manager; and Ronald Whitaker, Avans Machine and Tool Production Manager.

(continued on page 6)

is designed to promote job growth, capital investment, and economic development by providing contracting assistance to small businesses located in economically distressed communities.

The Mentor-Protégé Agreement is administered through the Marshall Ares I J-2X Liquid Engine contract. As part of the agreement, PWR will mentor Avans as it produces parts for the J-2X rocket engine designed to power the upper stages of NASA's next-generation ARES launch vehicles.

PWR, a part of Pratt & Whitney, is a preferred provider of high-value propulsion, power, energy, and innovative system solutions used in a wide variety of Government and commercial applications, including the main engines for the Space Shuttle, Atlas and Delta launch vehicles, missile defense systems, and advanced hypersonic engines. For more information about PWR, go to <http://www.prattwhitneyrocketdyne.com>.

Pratt & Whitney is a world leader in the design, manufacture, and servicing of aircraft engines, space propulsion systems, and industrial gas turbines. United Technologies Corp., based in Hartford, CT, is a diversified company providing high-technology products and services to the global aerospace and commercial building industries.

## MESSAGE FROM THE NASA CHIEF TECHNOLOGIST'S OFFICE

BY ROBERT BRAUN, NASA CHIEF TECHNOLOGIST

As a research and development agency, NASA plays a vital role in America's innovation engine, our future economic prosperity, and our national security. The President's FY 2011 budget request for NASA is part of a larger national research and development strategy for science, technology, and innovation that will lead to new products and services; new businesses and industries; and high-quality, sustainable jobs.

NASA's new Space Technology program fosters cutting edge, competitively sponsored research and technology development efforts from academia, industry (including small businesses), and NASA Centers, as well as other Government organizations. The program rebuilds our Nation's technological competency and develops innovative technological solutions to today's challenges.

NASA's technology and innovation investments are necessary to enable better approaches to the Agency's current mission set and implementation of entirely new missions, including sending humans to compelling destinations such as near-Earth asteroids by 2025 and Mars by 2035. NASA also envisions robotic explorers traveling throughout the solar system and into interstellar space, identifying life on other planets and Earth-like worlds around other stars, developing Earth-observing spacecraft that can accurately forecast major storms and natural disasters, and fostering an emerging commercial space flight industry. Technology development and innovation will be critical to these endeavors.

An overarching goal of our strategy is to reposition NASA on the cutting edge, pushing the boundaries

of the aerosciences with the technical rigor the American people expect from their space program. We should and will take more risk in our new research and development projects than in human space flight or other aspects of the NASA portfolio, where a more conservative approach is appropriate. In fact, if a percentage of our new technology development efforts don't fail, we are not leaning forward enough.

The challenges of future NASA missions will require the best ideas and innovations of academia, industry, Government labs, and our small business partners. Since its creation, NASA has nurtured partnerships with the private sector—especially small businesses—to develop innovative ways of achieving technical challenges and to facilitate the transfer of space technologies to improve the lives of Americans and people around the world.

In creating NASA's Space Technology Program, I'm reminded of a quote. *New York Times* journalist and critic Brooks Atkinson once aptly said, "This nation was built by men who took risks—pioneers who were not afraid of the wilderness, business men who were not afraid of failure, scientists who were not afraid of the truth, thinkers who were not afraid of progress, dreamers who were not afraid of action."

In my mind, there are few greater risk takers than small business entrepreneurs. NASA needs your best ideas and innovations as we move forward. In the coming weeks, please watch our Web site (<http://www.nasa.gov/ocf>) for additional information about planning and formulation activities for our Space Technology program, including requests for information from external entities and our FY 2011 solicitations.

Join us in this new endeavor. We need your innovative ideas, your passion, your dedicated efforts, and your technological solutions.

# WHERE SMALL BUSINESS DIFFERS

## OSBP PROGRAM MANA EVALUATING SUBCONTRACTING

BY RICHARD MANN, NASA OFFICE OF SMALL BUSINESS PROGRAMS

The Report on the President's Task Force on Small Business Contracting highlights as a recommendation an increase in Federal agency monitoring of achievements against subcontracting plans. The recommendation includes an action to revise the Federal Acquisition Regulation (FAR) to ensure that performance against subcontracting goals is assessed and considered for future contract awards. With the U.S. SBA Scorecard now separately grading subcontracting achievements for the first time, there is clearly increased attention being paid to subcontracting performance on a Government-wide scale.

With that in mind, here are some aspects to consider when evaluating a prime contractor's performance on its subcontracting plan. Most of these could apply to prime contractors who receive subcontracting reports from their subcontractors.

**Two types of goals:** As we all know, the FAR requires goals as a percentage of total subcontracting dollars, whereas NASA FAR Supplement (NFS) requires goals as a percentage of total contract value (TCV). Evaluation of both is required to meet the requirements of both FAR and NFS.

**Timing:** Subcontracting data are submitted on a cumulative basis, from the beginning of the contract. However, contract performance evaluations are usually annual, and award fee determinations are also periodic, usually semiannual. Is it better to evaluate the cumulative performance, or just the subcontracting performance for the most recent period, or both? There doesn't seem to be much guidance in this regard, which means agencies have some leeway. The type of work under the contract may help determine the best approach. For example, a research and development contract, in which perhaps little work is subcontracted in the early portion of the contract, might not lend itself to a cumulative approach. Additionally, contract periods seldom line up with the subcontracting reporting periods, so there is also usually a timing gap of some sort.

**Meeting goals or "on track" to meet goals:**

Achievements as a percentage of subcontracting dollars can fluctuate over time. A prime contractor's cumulative



# BUSINESS MAKES A BIG REFERENCE

## GER HIGHLIGHT PERFORMANCE

total might meet a goal in one reporting period but not in the next period if it awards a large subcontract to a large business. Additionally, a goal as a percentage of TCV is something that typically is reached only at or near the end of a contract, since the TCV itself (in terms of funding and work completed) is only reached at the end of the contract. In either case, the question of whether a prime contractor is meeting its goals is not entirely answerable until the contract is over. For purposes of interim performance evaluations, the prudent question might be whether the contractor is *on track* (or making satisfactory progress) toward meeting its goals. For goals as a percentage of TCV, one might use the current total obligated dollars instead of TCV to chart progress, if appropriate. One could also prorate interim subcontracting achievements over the life of the contract. Again, the type of work and contract stage might be a consideration.

**Reporting:** FAR 42.1501 includes the contractor's reporting into databases and conformance to contract requirements as part of past performance information. Are the contractor's individual subcontracting reports in the Electronic Subcontracting Reporting System (eSRS) timely and accurate? This is actually a whole separate topic. NASA's Office of Small Business Programs has been offering a 1-hour training session on this topic, including use of the eSRS, to Centers that request it.

**Who does the evaluation and where is the evaluation captured?** FAR 19.706 indicates that the cognizant administrative CO is responsible for monitoring, evaluating, and documenting contractor performance under any subcontracting plan included in the contract. NFS 1819.201(e)(ii)(H) lists participation in the evaluation of prime contractors' small business subcontracting programs as an SBS duty. Whether (and how) this duty is shared depends upon workloads and dynamics at each Center. For the record, OSBP prefers that both the SBS and the CO be involved to some extent. For now, subcontracting evaluation should be captured in Block 5 of NASA Form 1680 (in addition to award fee determinations for award fee contracts).



## MENTOR-PROTÉGÉ PROGRAM UPDATE

BY DANA JONES, NASA OFFICE OF SMALL BUSINESS PROGRAMS

On July 27–29, 2010, Marshall Space Flight Center (MSFC), in collaboration with Jacobs Technology Engineering, Science, and Technical Services (ESTS) Group, held the first annual Jacobs Technology, Education, and Business Symposium and Historically Black Colleges and Universities and Minority Institutions (HBCU/MI) Summit. The Summit was an opportunity for NASA prime contractors to establish and reinforce relationships with HBCU/MIs and focused on identifying opportunities for networking, research, training, and support services that will hopefully lead to increased opportunities for alliances between HBCU/MIs and NASA prime contractors. Representatives from Oakwood University and Tuskegee University, institutions that currently have NASA Mentor-Protégé Agreements at MSFC, were in attendance along with eight other HBCU/MIs.

Recent Mentor-Protégé highlights include two Mentor-Protégé agreements signed on August 18, 2010, and a third Mentor-Protégé agreement signed on August 19, 2010. TASC, Inc., of Chantilly, VA, and Azimuth, Inc., an SDVOSB in Morgantown, WV, have a Mentor-Protégé agreement at Goddard; SGT, Inc., of Greenbelt, MD, and MCT, Inc., an 8(a), Woman-Owned Small Business (WOSB) in El Segundo, CA, have a Mentor-Protégé agreement at Ames; and Jacobs Technology—Engineering and Science Contract Group of Houston, TX, and Aerodyne Industries, LLC, an SDVOSB in Oldsmar, FL, have a Mentor-Protégé agreement at Johnson.

**There are currently 14 active Mentor-Protégé Agreements and 25 Approved Mentor Applications. Active Agreements Under the New Mentor-Protégé Program:**

- Assurance Technology Corporation/  
Custom Manufacturing Services—WOSB
- ATK/Lansmont Corporation—SDVOSB
- Honeywell Technology Solutions,  
Inc./Advocates in Manpower  
Management—SDB, VOSB
- Jacobs Technology/Tuskegee  
University—HBCU/MI
- Jacobs Technology-ESC Group/  
Aerodyne Industries, LLC—SDVOSB
- Jet Propulsion Laboratory/Terraza  
Design Group, Inc.—SDB, HUBZone
- PWR/Avans Machine and Tool—  
HUBZone
- Raytheon Information Solutions/  
Fairfield Technologies—HUBZone
- Raytheon Information Solutions/Genex  
Systems LLC—SDB, 8(a)
- Science Applications International  
Corporation (SAIC)/Earth Resources  
Technology—WOSB
- SAIC/Oakwood University—HBCU/MI

- SGT, Inc./MCT, Inc.—8(a), WOSB
- TASC, Inc./Azimuth, Inc.—SDVOSB
- The Boeing Company/Creative  
Management Solutions—SDB, 8(a)

### Approved Mentors:

- Assurance Technology Corporation (ATC)
- ATK Space Systems
- Ball Aerospace
- The Boeing Company
- Booz Allen Hamilton
- Coastal International Security, Inc.
- Computer Sciences Corporation
- Hamilton Sundstrand Space Systems  
International, Inc.
- Honeywell Technology Solutions
- ITT Corporation Systems Division
- Jacobs Technology, Inc.
- Jet Propulsion Laboratory
- L-3 Enterprise Information Technology  
Solutions

(continued on back page)

# IMPORTANT DATES TO REMEMBER

## Mentor-Protégé Program Update (continued from page 7)

- Lockheed Martin Corporation
- Northrop Grumman Corporation
- Pratt & Whitney Rocketdyne
- Raytheon Company
- SAIC
- SGT, Inc.
- TASC, Inc.
- Teledyne Brown Engineering
- Tetra Tech Nuclear Utility Services
- Unisys Corporation
- United Space Alliance, LLC
- Wyle Integrated Science and Engineering

The next deadline for Mentor-Protégé Agreements to be submitted to NASA Centers is January 15, 2011. Please consult NASA's Mentor-Protégé Program Web site for further information: <http://www.osbp.nasa.gov/mentor.html>. The Web site includes contacts for each of NASA's Field Centers, as well as the rules and deadlines for the program. Ms. Dana Jones, Headquarters Office of Small Business Programs, may also be contacted at 202-358-2088 with questions.

## OSBP STAFF:

**THE OSBP OFFICE IS A TEAM COMMITTED TO PROVIDING EXCELLENCE IN SERVICE AND INFORMATION TO THE SMALL BUSINESS COMMUNITY.**

**GLENN A. DELGADO**, Associate Administrator  
**DAVID B. GROVE**, Program Manager  
**NAEEMAH A. LEE**, Executive Assistant  
**RICHARD MANN**, Program Manager  
**DANA JONES**, Program Analyst (Contractor)  
**TRUPHELIA M. PARKER**, Editor/Scheduler (Contractor)  
**TABISA TEPFER**, Program Manager (Contractor)

## METRICS UPDATE:

**BY TABISA TEPFER**, NASA OFFICE OF SMALL BUSINESS PROGRAMS

As the fiscal year winds to a close, NASA's Small Business prime actual percentage shows a 0.42-percent decrease from the July FY 2009 Small Business prime actual percentage, with a \$126,573 increase in the dollar base. The Small Disadvantaged Business goal is 5 percent, and NASA's Small Disadvantaged Business actual percentage has exceeded the goal by 1.50 percentage points. Unfortunately, in the other three categories, we are not meeting our goals.

## Kennedy Space Center Business Opportunities Expo October 19, 2010

<http://expo.ksc.nasa.gov>

## 3rd Annual NASA Small Business Symposium and Awards Ceremony

**November 30–December 1, 2010**

Bethesda North Marriott Hotel and Conference Center

<http://www.osbp.nasa.gov>

**For more OSBP calendar dates, visit our Web site at**

**<http://www.osbp.nasa.gov/>**

## OSBP NEWSLETTER ARTICLE SUBMISSION SCHEDULE:

DEADLINE	PUBLISHED
January 31	March
April 30	June
July 31	September
October 31	December

## OSBP WEB SITE:

The improved NASA OSBP Web site is up and proving successful in helping individuals and companies to navigate small business policies, procedures, and best practices at NASA.

The purpose of the Web site, <http://www.osbp.nasa.gov>, is to share the vision of the Small Business Program at NASA, as well as provide pertinent information on how to do business with NASA.



The 3rd Annual NASA Small Business Symposium and Awards Ceremony will be held November 30–December 1, 2010, at the Marriott Bethesda North Hotel and Conference Center in Bethesda, MD.

Attendees will learn about the skills, resources, and technologies needed to achieve the Agency's missions, programs, and research. Participants also have an opportunity to hear from the U.S. Small Business Administration and other Federal agencies, as well as prime contractor representatives. For more information, visit <http://www.osbp.nasa.gov>.

## FY 2010 NASA Agency Prime Goals vs. Actual Percentages AS OF JULY 31, 2010

CATEGORY	DOLLARS
Total Dollars	\$ 13,299,682,342
Small Business	\$ 1,787,814,625
SDB	\$ 864,511,151
8(a)	\$ 384,600,313
HUBZone	\$ 76,753,081
WOSB	\$ 281,087,043
SDVOSB	\$ 155,872,954

